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**Rules of**  
**Department of Economic**  
**Development**  
**Division 140—Division of Finance**  
**Chapter 17—Association Reserves and Liquidity**

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**Title 4—DEPARTMENT OF  
ECONOMIC DEVELOPMENT  
Division 140—Division of Finance  
Chapter 17—Association Reserves and  
Liquidity**

**4 CSR 140-17.010 Reserves**

*PURPOSE: This regulation requires savings and loan associations to establish a general reserve account in compliance with applicable federal regulations.*

*Editor's Note: Copies of all referenced federal regulations are available to any interested party at the Division of Finance, Room 630, 301 West High Street, Jefferson City, Missouri or the Office of the Secretary of State at a cost established by state law.*

Each association shall maintain a general reserve account in an amount at least equal to that required of insured associations by applicable federal regulations. This general reserve shall be used solely for the purpose of absorbing losses. An association may establish and maintain such additional general or specific reserves as determined by the board of directors.

*AUTHORITY: section 369.299, RSMo 1994.\* This rule previously filed as 4 CSR 260-5.010. Original rule filed Sept. 28, 1971, effective Oct. 8, 1971. Changed to 4 CSR 140-17.010, effective July 6, 1994. Amended: Filed Nov. 8, 1994, effective March 30, 1995.*

*\*Original authority: 369.299, RSMo 1971, amended 1994.*

**4 CSR 140-17.020 Liquidity**

*PURPOSE: This rule establishes the minimum amount of liquid assets required to be maintained by associations.*

(1) Liquid Assets Defined. Liquid assets shall include cash on hand and in deposits with banks, including Federal Home Loan Banks, and such other assets as may be determined from time-to-time to qualify under the rules of the federal regulatory agency for associations insured by the Federal Deposit Insurance Corporation.

(2) Associations shall maintain an average daily balance of liquid assets as required from time-to-time by applicable federal regulations for insured associations. For purposes of section 369.224, RSMo, an association shall maintain at a minimum an average daily balance of liquid assets not less than four percent

(4%) of the average daily balance of its liquidity base during the preceding calendar month, or such other minimum that the director in his/her discretion may set on a case-by-case basis.

*AUTHORITY: sections 369.014, 369.299 and 369.224, RSMo 1994.\* This rule previously filed as 4 CSR 260-5.020. Original rule filed Sept. 28, 1971, effective Oct. 8, 1971. Amended: Filed Dec. 13, 1974, effective Dec. 23, 1974. Rescinded and readopted: Filed July 14, 1978, effective Nov. 13, 1978. Amended: Filed Nov. 4, 1986, effective Jan. 30, 1987. Changed to 4 CSR 140-17.020, effective July 6, 1994. Amended: Filed Nov. 8, 1994, effective March 30, 1995.*

*\*Original authority: 369.014, RSMo 1971, amended 1982, 1986, 1994; 369.224, RSMo 1971, amended 1983, 1989, 1994; and 369.299, RSMo 1971, amended 1994.*